

INSTRUCTIONS FOR CONTRACT / COMMON CARRIER 2004 ANNUAL REPORT Passenger (Non-Taxi)

GENERAL INFORMATION

NOTE: The number in parentheses to the left of each item on the form corresponds to the instruction number explaining that item.

1. This report must be filed no later than May 16th of the current year for the preceding calendar year ended December 31st OR by the date specified by the Commission for motor carriers who have obtained prior Commission approval to prepare the report for a fiscal year other than calendar year.
2. Be sure to retain a complete copy of this report (including instructions) in your files for future reference.
3. The CPCN number requested on all pages of the report is the Common Carrier Certificate Number or Contract Carrier Permit that was issued to your company by the Transportation Services Authority. Contract Carrier Permits may have MV as the prefix.
4. Do not write on the back of the report pages; use attachments for any necessary schedules or continuations.
5. This date refers to final date in your reporting year.
6. Failure to complete this report in the form and detail outlined in these instructions and by statutory and regulatory direction will result in the rejection and subsequent return of the report for corrections to affected areas.

Cover Page

7. Corporate or formal name.
8. Name advertised to public, if different than (7).
9. Indicate the street address where the business is located. Change of business location (domicile) must not be done without prior Commission notification.

BUSINESS IDENTITY INFORMATION

10. Item 1. Description of service provided. Provide a brief description of the service provided as authorized under your certificate (e.g. Charter limousine service in and around Clark County, Airport Transfer per person, Contract Carrier, etc.)

11. Items 2 through 4. Complete in accordance with your firm's organization: Sole Proprietorship, Sub-Chapter "S" Corporation, Limited Liability Company, Corporation or Partnership, as requested on the page.
12. Item 5. The beginning date through the ending date for the time period represented by this report, and note if different than the period the company's books and records are maintained.
13. Item 6. Indicate the person whom the Commission would contact should any clarifications or corrections be needed.
14. If additional space is necessary for any item, attach a separate sheet indicating which item you are continuing.

STATEMENT OF OPERATIONS (Pages 3 of 11 and 4 of 11)

Basis of Accounting: All information presented in the report is to be based on the accrual method, the accrual method to be followed is the method as set forth by Generally Accepted Accounting Principles required by the Financial Accounting Standards Board and the American Institute of Certified Public Accountants. Generally, accrual includes receivables and payables where cash does not. **The accrual basis of accounting is the only acceptable basis of accounting for preparing the annual report. Cash basis or a combination of types of accounting bases is not acceptable.**

REVENUES:

15. Record total company operation both inside and outside the State of Nevada in Column 1.
16. Record Nevada intrastate certificated operations in Column 2 as described on your certificate. Do not include any other revenue. Nevada intrastate certificated revenues reported in Column 2 should be based on actual revenue data.
17. Column 3 is to show Nevada Intrastate Revenues (Column 2) as a percentage of total company revenues (Column 1) (i.e. Column 1 divided by Column 2 times 100).
18. Line 1. Record revenues received for Charter Limousine service by the vehicle types listed.
19. Line 2. Per Capita means any revenues charged **per person**. This includes Airport Transfer Service, Scenic Tours and Special Service authorities as detailed in your certificate. In addition, most non-emergency medical transportation (wheelchair and stretcher) revenue is recorded in this category, if charged per person.
20. Line 3. Contract revenues are those received pursuant to contracts approved by the TSA in conjunction with Contract Carrier authority. **Only companies who hold a Contract Carrier Permit will record revenues on this line.**
21. Line 4. Attach a schedule of items and amounts included as "Other Revenue".

EXPENSES:

Where possible, expenses should be allocated to Nevada intrastate operations based on actual cost data. Where such expenses are not allocable in such a direct manner, the following allocation should be used:

- a. Expenses related to equipment such as rents, leases, maintenance, depreciation and fuel costs shall be allocated to Nevada intrastate in the same ratio as Intrastate Miles Driven to Total Company Miles Driven.
- b. All other expenses shall be allocated on the basis of Intrastate Revenues to Total Company Revenues.
- c. If some other allocation method is used, provide an explanation as to its basis.
- d. Column 3 is to show the listed Nevada Intrastate Expense (Column 2) as a percentage of the respective total company expense (Column 1) for that line item. I.e., Column 1 divided by Column 2 times 100.

22. Line 5. Include any salaries paid to Officers, Sole Proprietors or Partners.

23. Line 9. If any monies are paid to independent contractors for which no payroll taxes are paid, or to an employee staffing company, include amounts on this line and attach an explanation on a separate sheet of paper.

24. Line 10. Payroll Overhead. Include items such as FICA, Federal Unemployment Insurance and State equivalents. The amount of payroll taxes included here should be related to all salaries and wages paid on Lines 5 through 9.

25. Lines 11 and 12. Fuel expense, including gallons and miles, should be fuel costs for billable and deadhead miles. Other fuel expense should be included in "other operating expenses" and so identified.

26. Depreciation is to be stated on a STRAIGHT LINE BASIS (no exceptions). Line 16, page 3, is to correspond with the Accounting Equipment Schedule, Column 7 total.

27. Line 25. Operating Taxes should include items such as property taxes, etc. Do not include Federal Income Taxes on this line.

28. Line 28. Other operating expenses should include items such as telephone, uniforms and any other expenses not specifically included in Lines 5 through 27. If all items included here are more than \$500, provide a detail of the items included by attaching a separate schedule listing these items and the amounts of each. Be sure the total of this schedule matches the amount shown on Line 28.

29. Line 32, Column 1. Net Income (Loss) should agree to that shown on Line 28 (for sole proprietorship or partnership) on Page 5 of 11 or Line 35 (for corporations, including LLCs) on Page 6 of 11.

BALANCE SHEET (Pages 5 of 11 and 6 of 11)

The Balance Sheet is to be prepared for the Total Company, all operations inside and outside Nevada. All information presented in the report is to be based on the accrual method, the accrual method to be followed is the method as set forth by Generally Accepted Accounting Principles required by the Financial Accounting Standards Board and the American Institute of Certified Public Accountants. Generally, accrual includes receivables and payables where cash does not. **The accrual basis of accounting is the only acceptable basis of accounting for preparing the annual report. Cash basis or a combination of types of accounting bases is not acceptable.**

ASSETS:

30. Prepaid and other current assets should reflect any current assets not specifically included in Lines 1 through 3, such as prepaid insurance and notes receivable due in less than one year. Provide a schedule of items included here on an attached sheet of paper.
31. All items included in Equipment, Property and Other Assets are to be shown at historical cost. Revenue Equipment, Line 6, is to correspond to the Accounting Equipment Schedule, Column 3 total, page 8. Accumulated depreciation is to be shown on a STRAIGHT LINE BASIS. Line 7 is to correspond with Accounting Equipment Schedule, Column 8 total, page 8.
32. Other assets should reflect any assets not specifically included in Lines 1 through 15. Provide a schedule of items included here on an attached sheet of paper.

LIABILITIES AND EQUITY / CAPITAL:

33. Amounts of long-term debt or notes payable requiring payment within the twelve months after this reporting period. Do not include these obligations with long-term debt on Line 23 or long-term notes payable on Line 24.
34. Long-term debt and long-term notes payable include amounts for obligations not coming due until a period of time beginning twelve months after the end of this reporting period.
35. Line 25. Other liabilities should reflect any liabilities not specifically included in Line 18 through 24. Provide a schedule of items included here on an attached sheet of paper.
36. For Sole Proprietorships and Partnerships (including Limited Partnerships):
 - a. Line 27. This should agree with the Total Owner/Partnership Equity ending balance from your previous year's annual report. If adjustments have been made causing a difference, a reconciliation must be included with your annual report.
 - b. Line 28. The Net Income (Loss) shown here should agree with the Net Income (Loss) reported on Line 32, Column 1, Page 4 of 11.
 - c. Line 29. Amounts owner/partners have withdrawn from the enterprise. Do not include any salaries included on Lines 5 through 9, Page 3 of 11.

37. For Corporations (including Limited Liability Companies):

- a. Line 34. Retained Earnings beginning balance should agree with the Retained Earnings ending balance from the previous year's annual report, if the business is organized as a Corporation. If the beginning does not equal the prior year's ending balance as reported on the previous year's report, a reconciliation of adjustments must be provided.
- b. Line 35. The Net Income (Loss) should be the same as Page 4 of 11, Line 32, Column 1.
- c. Line 36. Amounts shareholders/members have withdrawn from the enterprise. Do not include any salaries included on Lines 5 through 9, Page 3 of 11.

38. Lines 17 and 39. **Total Assets must equal the Total Liabilities plus Equity / Capital.**

STATISTICAL SCHEDULE (Page 7 of 11)

- 39. Lines 1, 2 and 3. Record the total charter orders for the year for each limousine vehicle type, for both total company and Nevada Intrastate operations. These lines apply to Charter Limousine service only, and must include all charters, i.e., "Kelly rides".
- 40. Line 4. Record the total number of passengers from Per Capita operations. Only carriers charging per person rates and fares should complete this line.

SCHEDULE OF OPERATING LEASES – REVENUE EQUIPMENT (Page 7 of 11)

Provide the requested information for any equipment leased under operating leases by your company that was used in the scope of conducting Nevada intrastate certificated operations. Do not include capital leases. Capital leases (vehicle financing) are to be included on the Accounting Equipment Schedule.

ACCOUNTING EQUIPMENT SCHEDULE (Page 8 of 11 – use additional sheets as necessary)

- 41. **Depreciation is to be calculated on Straight Line Basis Only.** This schedule is to reflect all Revenue Equipment used. If the space provided is not sufficient, make copies of the schedule as needed, numbering additional consecutive pages 8a, 8b, etc. **Any schedules used in lieu of this schedule must contain the same detail and the same information required on the Accounting Equipment Schedule.** All revenue equipment in use during this reporting period **must** be shown on schedule even if fully depreciated.

If revenue equipment was used for only part of a reporting period before sale or disposal, include on the schedule prorating depreciation expense for the number of months in service. State the date of sale or disposition so that it may be determined if expense is calculated correctly. Before transferring totals to the Balance Sheet, remove the accumulated depreciation and original cost of equipment sold or disposed of.

For revenue equipment purchased during this reporting period, prorate depreciation expense to reflect the number of months in service.

42. The total of Column 3 should agree with the amount shown on Line 6, Page 5 of 11.
43. The total of Column 7 should agree with the amount shown on Line 16, Page 3 of 11.
44. The total of Column 8 should agree with Line 7, Page 5 of 11.

VEHICLE DETAIL EQUIPMENT SCHEDULE (Page 9 of 11 - use additional sheets as necessary)

This schedule is to reflect all Revenue Equipment in use during the year, including operating leases. If the space provided is not sufficient, make copies of the schedule as needed, numbering additional consecutive pages 9a, 9b, etc. **Any schedules used in lieu of this schedule must contain the same detail and the same information required on the equipment schedule form.**

LIMOUSINE ACTIVITY REPORT (Page 10 of 11 - use additional sheets as necessary)

45. **PLEASE NOTE: This schedule is to be completed for vehicles used in Charter Limousine service ONLY.** Do not list vehicles used for Per Capita or Contract Carrier operations. If a vehicle is used in both Charter Limousine and Per Capita service, only include information for the Charter Limousine activity.

The schedule is to reflect all Charter Limousine revenue generated on a per vehicle basis. If space provided is not sufficient, make copies of the schedule as needed, numbering additional consecutive pages 10a, 10b, etc. **Any schedules used in lieu of this schedule must contain the same detail and the same information required on the limousine activity report.** All equipment in use during this reporting period **must** be shown on this report.

46. The Total Annual Revenue Generated should agree with the total of the amounts on Line 1, Sedan + Stretch + Livery, Page 3 of 11.

CERTIFICATE OF OATH

47. This page must be completed as indicated, **signed by the appropriate authorized person and notarized.**